



# Newport Housing Capacity Analysis

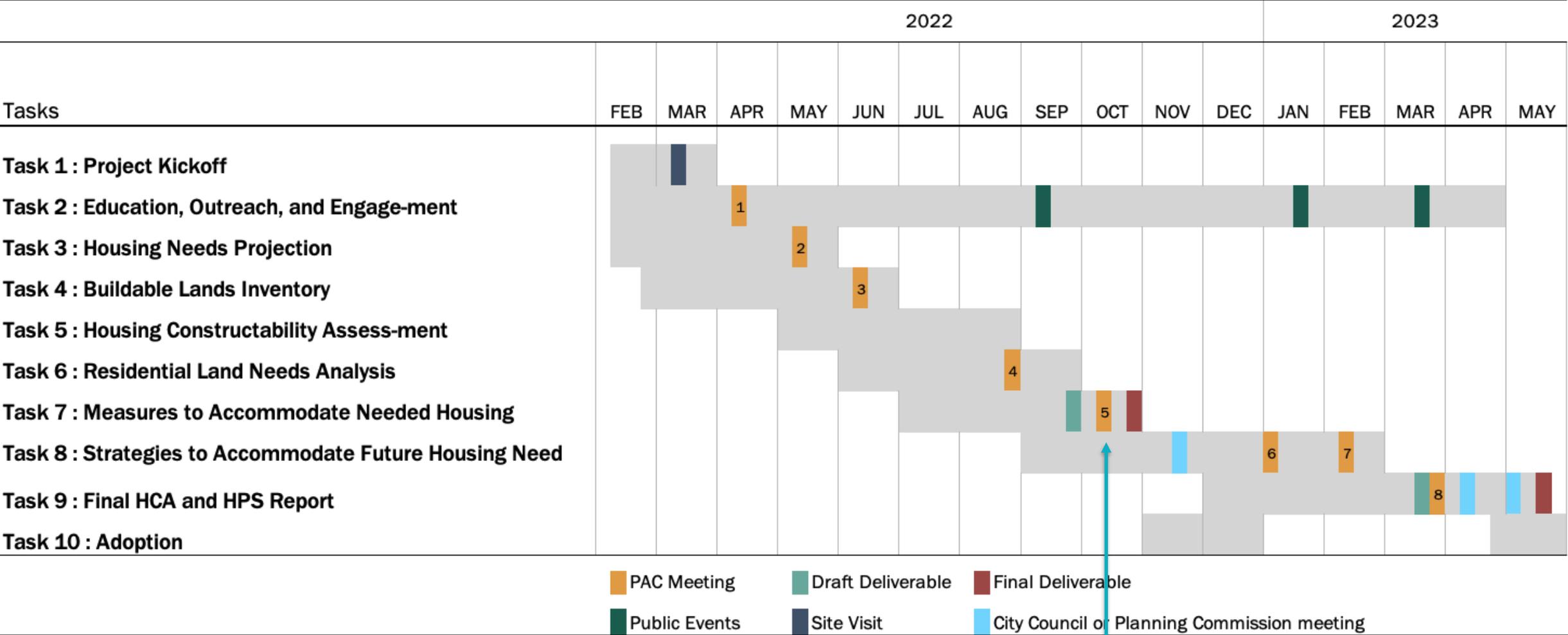
## Project Advisory Committee Meeting #5

October 13, 2022

# PAC Meeting Dates and Topics

HAC	Date	Topic(s)
PAC 5	Oct 13	Introduce the Housing Production Strategy
PAC 6	Jan 12	Identify additional potential housing strategies
PAC 7	Feb 16	Refine and narrow housing strategies
PAC 8	Mar 30	Finalize housing strategies

# Project Schedule and Primary Tasks



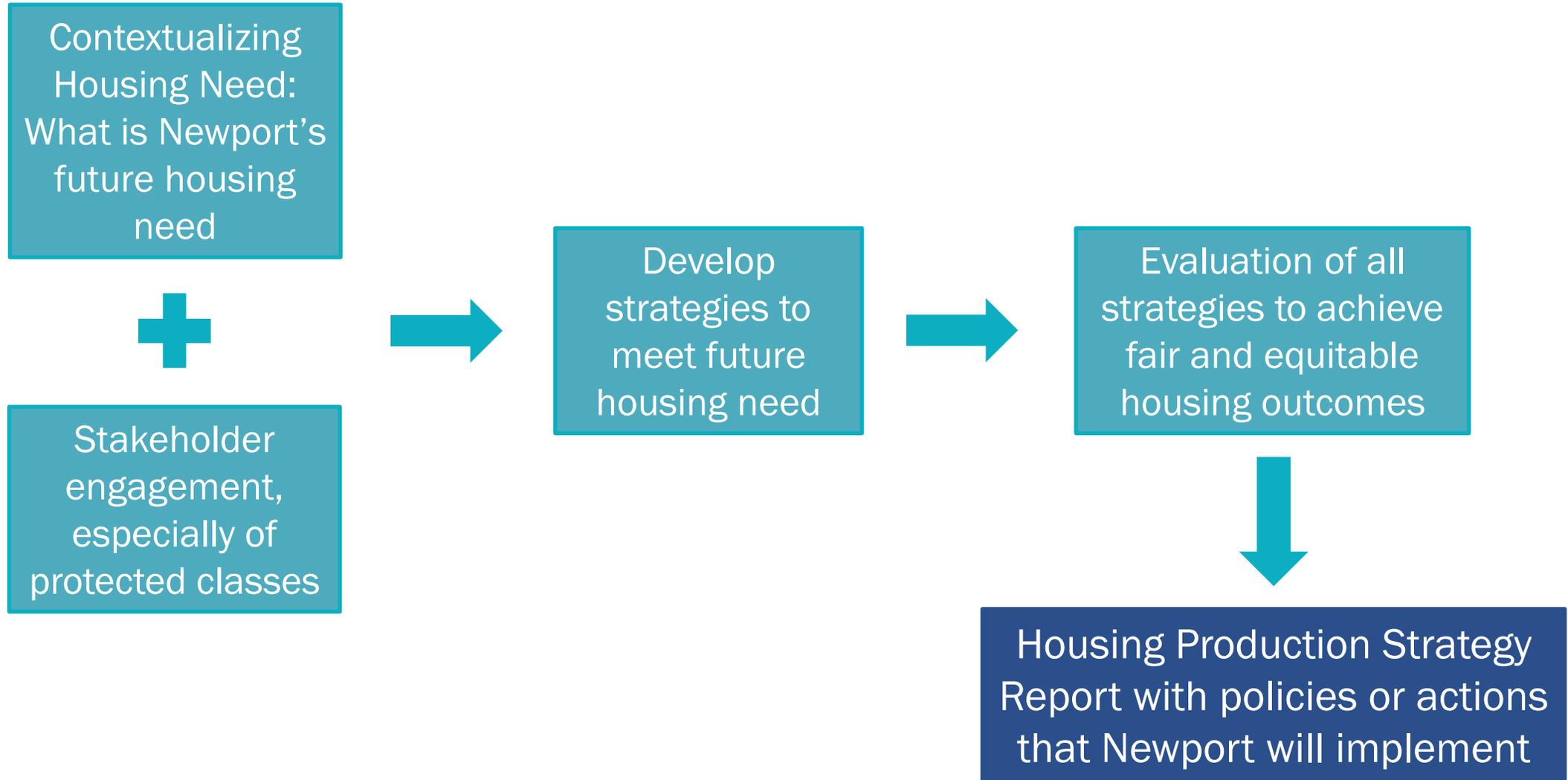
We are here

- These are conversations that PAC members are facilitating with harder to reach groups. To see the list of groups, go to:
  - <https://docs.google.com/document/d/1TY4zvI0wONKcVYCjlpEgPEiNrESk5vW3gZ2ahwY12CU/edit>
- We extended the deadline for completing the conversations to November 4, 2022



## Overview of an HPS

# A Housing Production Strategy is an 8 Year Action Plan



# Financially Attainable Housing, Newport

*If your household earns....*

**\$17,200**

(30% of MFI)

**\$28,700**

(50% of MFI)

**\$45,900**

(80% of MFI)

**\$57,400**

(100% of MFI)

**\$68,900**

(120% of MFI)

*Then you can afford....*

**\$430**

monthly rent

**\$720**

monthly rent

OR

**\$86,000-  
\$100,000**

home sales price

**\$1,150**

monthly rent

OR

**\$161,000-  
\$184,000**

home sales price

**\$1,440**

monthly rent

OR

**\$201,000-  
\$230,000**

home sales price

**\$1,720**

monthly rent

OR

**\$241,000-  
\$276,000**

home sales price



Social Security  
\$17,410



Cashier  
\$30,900



Construction  
Worker  
\$47,000



Real Estate  
Agent  
\$56,300



Accountant  
\$68,200



Nursing Assistant  
\$38,900



Firefighter  
\$53,300



Elementary  
School Teacher  
\$62,800

Median Home Sale  
Price: **\$403,500**

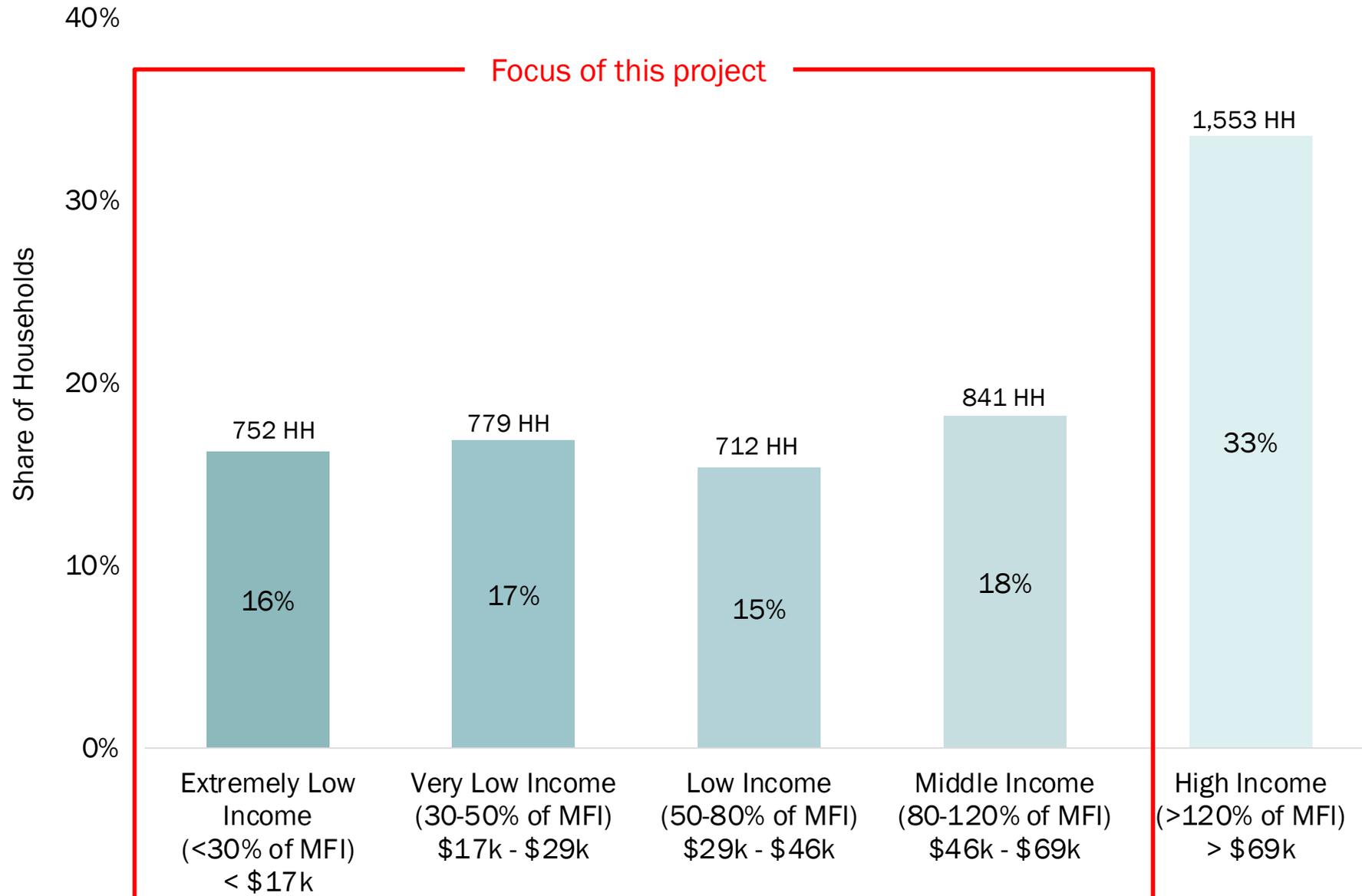
(property radar)

Requires \$107,000 income  
(186% of MFI) to afford

Average Monthly Rent:  
**\$1,360** (not including utilities)  
(CoStar)

Requires \$54,400 income  
(95% of MFI) to afford

# Existing Households by Income Level, Newport

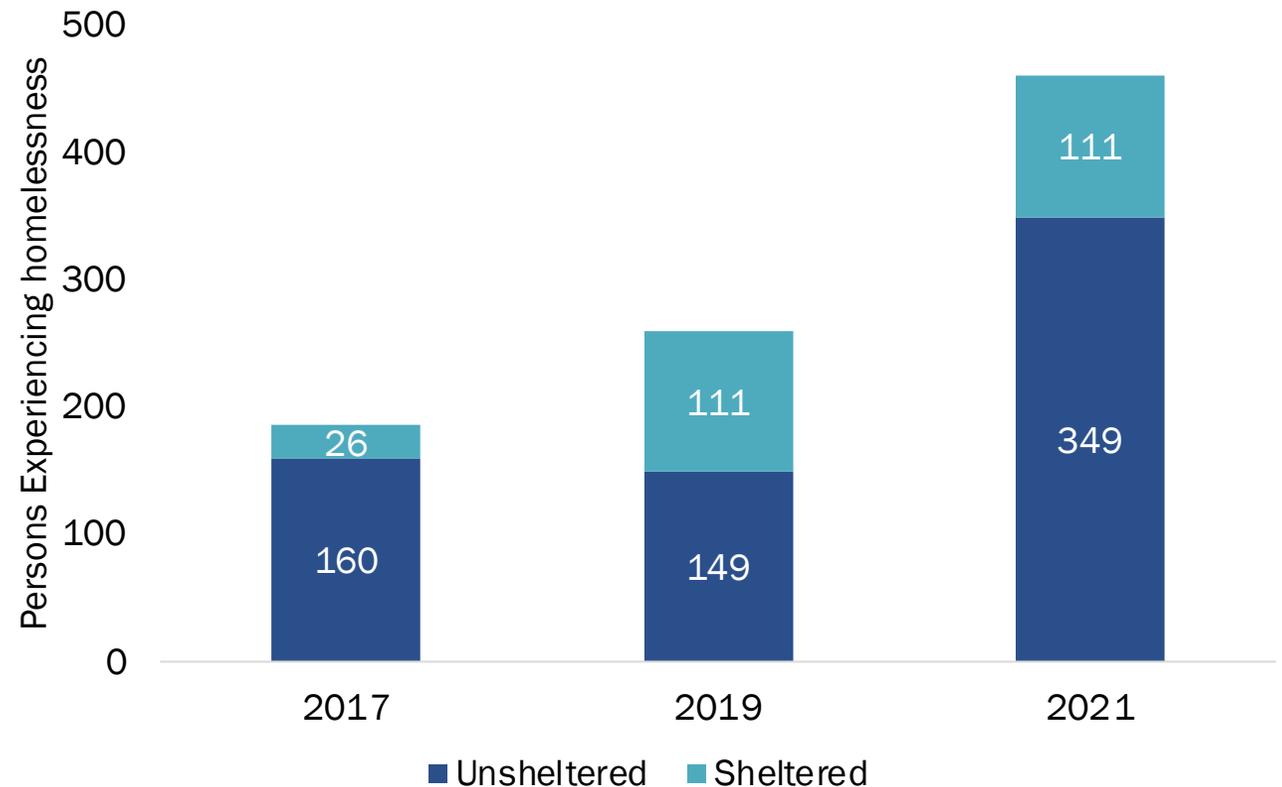


This chart is based on the HUD MFI for Lincoln County and the ACS household income distribution for Newport.

# Housing Needs Often Differ by Group

- People experiencing homelessness:
  - Temporarily or chronically
  - Alone or with children
- Racial or ethnic groups
- People over 65 years old
- People with disabilities

Point-in-Time Homelessness Estimates, Lincoln County, 2017-2021



Source: Oregon Housing and Community Services.

Note: OHCS reported two counts in 2021 – estimated and reported counts. This is the estimated counts.



# Developing the Housing Production Strategy

# Typical Roles in Affordable Housing Development

Programs or policies that are supportive of affordable housing development and preservation. These roles are typical and vary in how they are implemented at different levels of government (and nonprofits).



## Federal Government

- Provide and administer federal funds for:
  - Community Development Block Grants and HOME funds
  - Housing choice vouchers
  - Loans for affordable housing development
  - Low Income Housing Tax Credits
- Establish federal Fair Housing laws



## State Government

- Administer funding for some federal programs
- Provide and administer state funds for:
  - Assistance for homelessness
  - Housing bonds and loans
  - Infrastructure grants
  - Rental and homebuyer assistance
  - State tax abatement, exemptions, or credits
  - Weatherization and utility assistance
- Establish state Fair Housing laws



## County & Housing Authorities

- Administer federal programs:
  - Community Development Block Grants and HOME funds
  - Housing choice vouchers
- Administer programs:
  - Assistance for homelessness
  - Rehabilitation
  - Rental and homebuyer assistance
  - Weatherization and utility assistance



## City Governments

- Establish land use regulations
- Develop infrastructure
- Provide and administer local funding, like CET, Urban Renewal, or bonds for gap financing
- Administer programs:
  - Land banking and public land disposition
  - Local property tax exemptions
  - Weatherization and utility assistance



## Developers & Nonprofit Agencies

- Develop income-restricted multifamily housing
- Administer programs:
  - Assistance for homelessness
  - Rehabilitation
  - Rental and homebuyer assistance
  - Weatherization and utility assistance
- Implement community land trusts

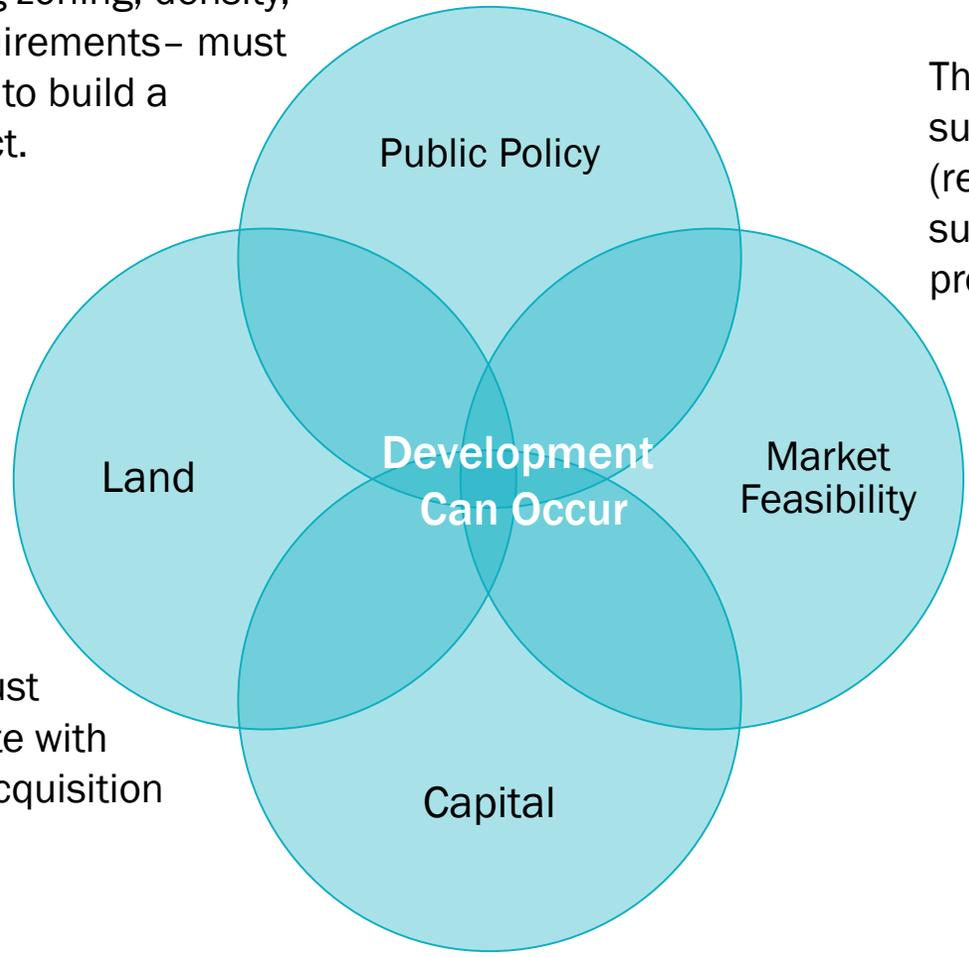
# What is a city's role housing development?

Cities can directly influence public policy, land, and infrastructure.

Cities may have limited influence on market feasibility

Policy—including zoning, density, and design requirements— must allow developer to build a profitable project.

There must be sufficient demand (rents, sales prices) to support a profitable project



Developer must control the site with reasonable acquisition costs

Developer must be able to access resources for investment (e.g., equity investment, bank loans)

# Develop Strategies to Meet Future Housing Need

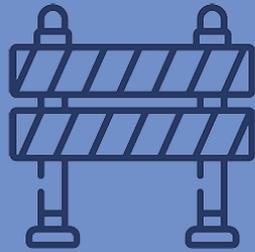
## Types of Strategies to Support Housing Production



Produce  
Informational  
Resources



Partner to  
Leverage Efforts  
and Resources



Remove  
Regulatory  
Barriers



Waive or  
Reduce Upfront  
or Ongoing  
Charges on  
Development



Allocate  
Funding



Land  
Acquisition and  
Disposition

Less Impactful

More Impactful

# Requirements of Strategies in the HPS

- For strategies identified in the final HPS, the City of Newport will:
  - Commit to implementation
  - Be required to update DLCD on implementation progress, and be required to comment on its effectiveness in the future
- Strategies not identified in the HPS may still be implemented by the City, but the City will not be held to specific action by the State.



# Evaluating the strategies together

Do the strategies achieve fair and equitable housing outcomes?

- Affordable homeownership and affordable rental housing
- Gentrification, displacement, and housing stability
- Housing options for residents experiencing homelessness
- Location of housing, within compact, mixed-use areas
- Housing Choice, in safe neighborhoods with high-quality amenities
- Fair Housing, especially for federal and state protected classes



Distributional  
Equity



Process  
Equity



Cross-generational  
Equity

# Existing Strategies in Newport

- Tax Incentives for Affordable Housing
  - MUPTE, Non-Profit Corporation Low-Income Housing Tax Exemption
- System Development Charges Policies
  - Updated methodology, transferability of credits
- Revenue Sources to Support Housing Investments
  - Construction Excise Tax and Urban Renewal
- Grants and Land Donations for Affordable Home Ownership
  - Home Ownership Down Payment Assistance, Rehabilitation and Weatherization programs
  - Partnership with Lincoln Community Land Trust
  - Habitat for Humanity Land Donation
- Reduced Residential Street Widths

# Process for Developing the HPS

Oct-Dec 2022

## Narrow down the list of potential actions:

Provide long list of potential actions to the PAC to identify actions with the most promise for the City of Newport.



Jan-Feb 2023

## Additional action evaluation

Provide additional detail on remaining actions. Vet narrower list of strategies with relevant stakeholders and the PAC



March-April 2023

## Draft HPS

Refine actions for City Council to consider, working in conjunction with local partners.

- The following are actions that staff and consultants think may belong in Newport's HPS
- Do you agree that these actions should be considered in Newport's HPS?
- Are there actions missing from the upcoming list? If so, what are they?

At the next meetings, we will go into more detail about the actions that we agree should be considered in the HPS. There will be more discussion about each action.

# Potential Actions for PAC discussion

- Develop new affordable housing
- Construction Excise Tax and distribution
- Target infrastructure investments
- Land Banking
- Continued work with Land Trusts
- Use Homebuyer Opportunity Limited Tax Exemption to support access to homeownership



- Identify opportunities for changes to Newport's Development Code to allow more multifamily development
- Lobby the Legislature
  - To better support regional development of housing in rural areas
  - To allow restricted transient lodging tax funds to support development of housing in Newport



- Housing Conversations – completed by 11/4/2022
- City Council and Planning Commission Work Session:  
November 14 @ 6 PM
- PAC Meeting #6: January 12 @ 6 PM



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